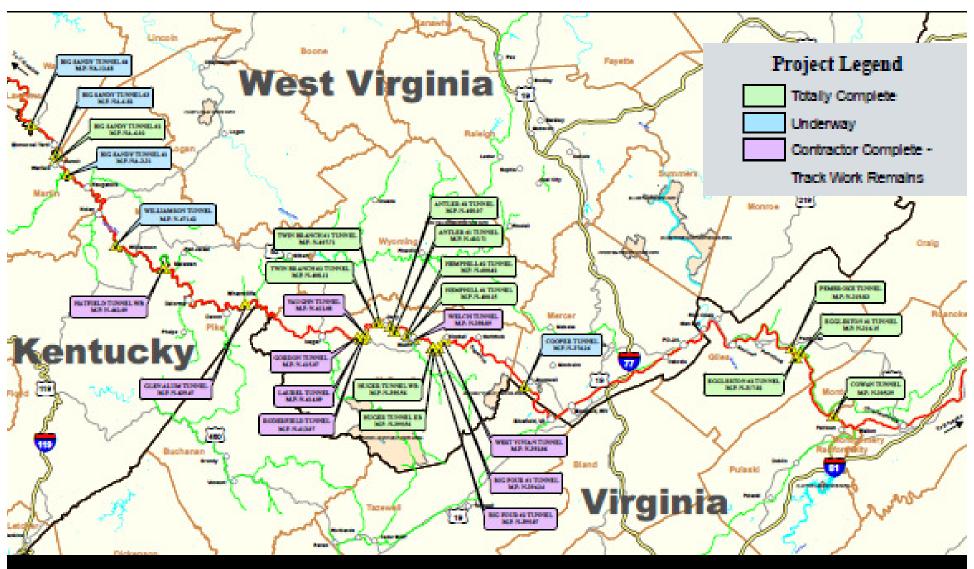
Project Updates

Rail Advisory Board February 25, 2010 Richmond, VA



- 28 Tunnels to be improved 28,545 ft. (5.4 mi)
- Bridges
 - 7 Through Truss Bridge Modifications
 - 1 Overhead Bridge required track shifting
 - 1 Overhead Bridge will be removed
- 4 signal replacements
- Slide fence modifications at 8 locations

Heartland Tunnel Status



About 85% Complete

- Remaining four tunnels work underway
- Complete tunnel work in June 2010
- Open for business in August 2010
- Already planning schedule and routing changes

- Part of Heartland Corridor; long-term benefit to Crescent Corridor
- Shared costs NS and Commonwealth
- Original cost ~ \$18 million
- Requires relocation of Cove Hollow Road
 - Includes new bridge over Roanoke River
 - Latest estimate = \$11 million+ and counting
- Montgomery County opposes

- September 2008 Montgomery County sues
 Commonwealth in Richmond Circuit Court
- September 2009 oral arguments
- November 2009 court upholds Commonwealth
- March 2010 appeal to be filed with Virginia Supreme Court
- Late summer decision to hear case (1 in 5 chance)
- End of 2010? decision if case is heard

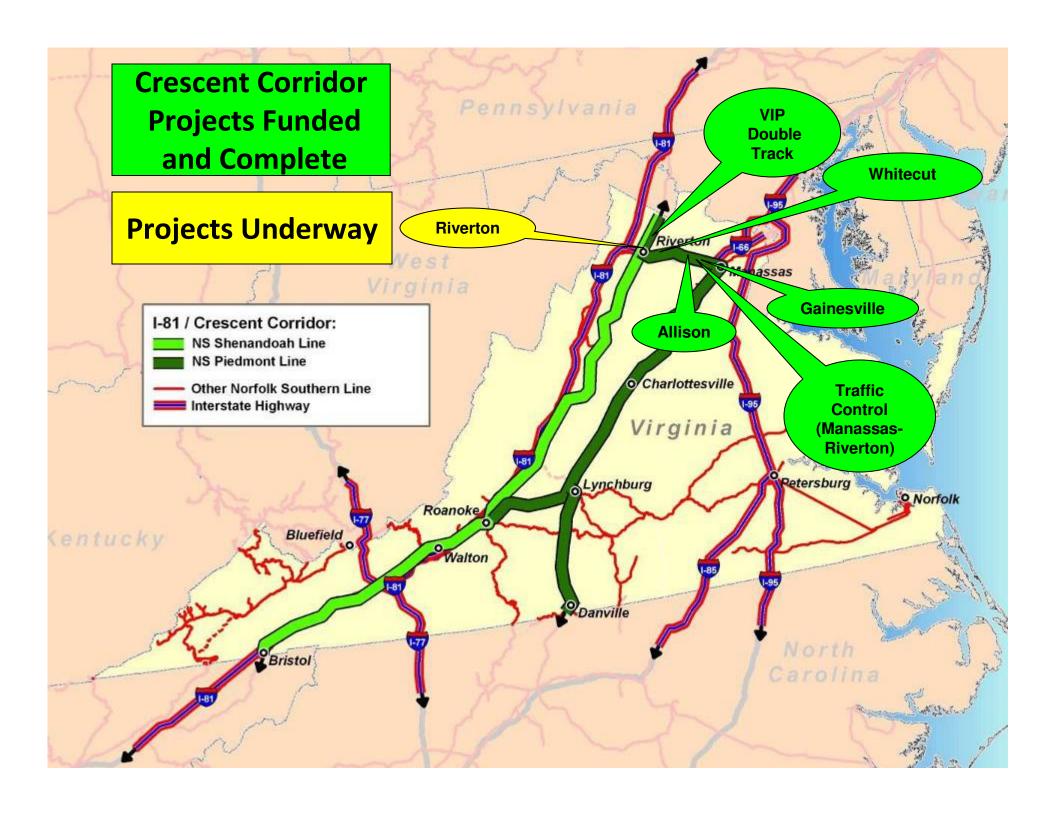
We have purchased four parcels and are negotiating for remainder. Structures are being cleared.

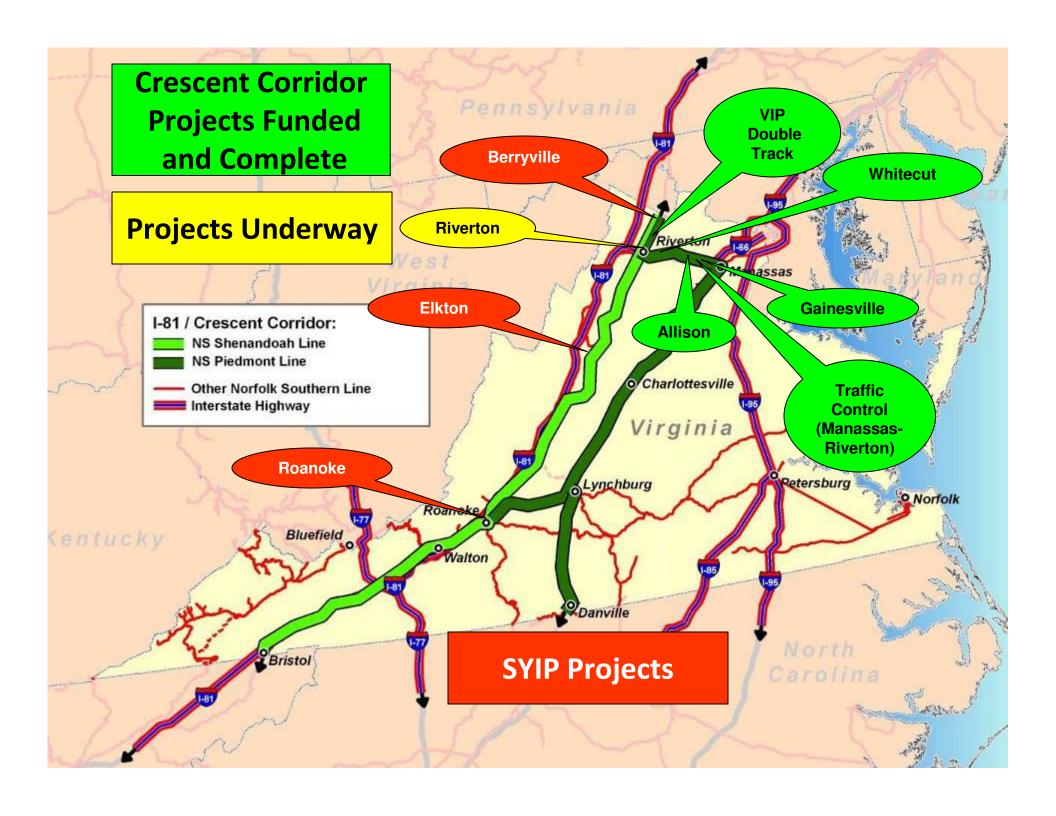


Funding

- 2007 Grant
 - \$61 million total project value
 - \$43 million from Commonwealth
 - One project still underway
- Six Year Improvement Plan (2010-2015)
 - \$34.5 million total project value
 - \$24 million from Rail Enhancement Plan
 - Begin 2010
- Stimulus Funds (TIGER)
 - No funds awarded for Virginia projects
 - NS continues to seek federal sources of funding

- From 2007 Grant:
 - Five projects completed, one still underway
 - New passing track at Gainesville (11,000) in service
 - Realign track connections at Riverton Junction underway
- Six Year Improvement Plan (2010-2015)
 - Three projects proposed will begin Berryville in 2010
 - Will apply for more REF funds in 2010

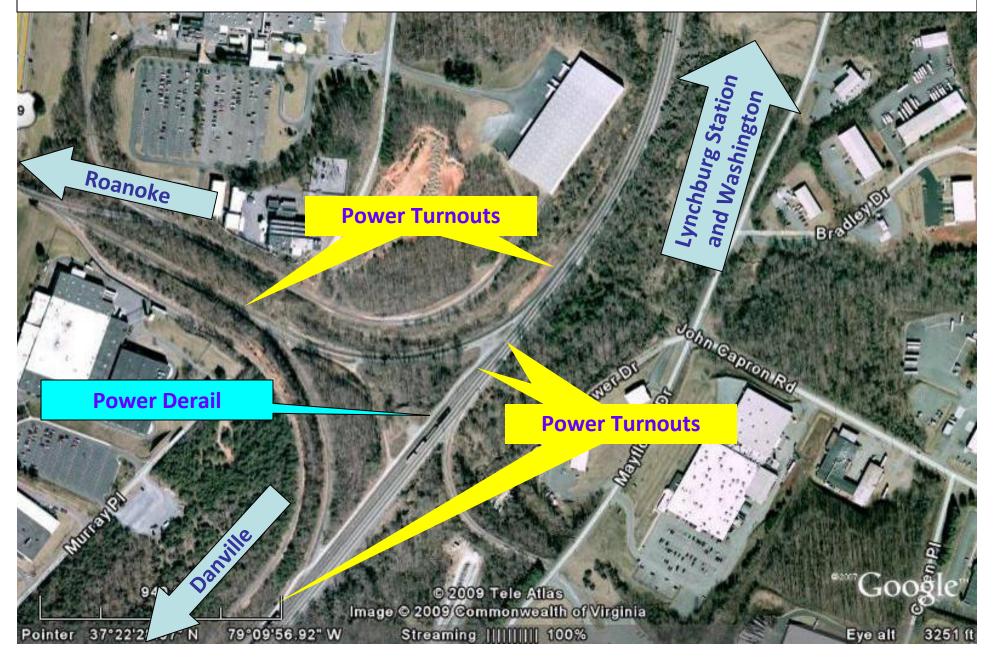




- Gainesville passing track placed in service in January 2010
- Riverton site work continues, should be completed by end of year
- Berryville design underway
- Elkton to follow Berryville
- Roanoke design underway

- Commonwealth-funded
- Lynchburg's Kemper Street Station (complete)
 - Removed and replaced old station track
 - Extended passenger platform
 - Installed new lights, air, water, sewage hook-ups, storage
 - Constructed two short tracks for NS use
 - Work performed by Faulconer Construction
- Montview Wye (underway)
 - Replacing main line turnouts
 - Installing crossties where needed
 - Adding 5 power turnouts and 1 power derail

Montview Wye (Lynchburg)



- Trackwork completed
- Signal work and power turnout work underway
 - Construction began in November
 - Complete by end of 1Q 2010 (if snow is gone by then)
- Still under budget

Questions?